

The complaint and background

Miss F is unhappy that HSBC UK Bank Plc won't refund her money lost after she fell victim to an impersonation scam.

Miss F has fallen victim to multiple scams which have been the subject of separate complaints brought to this service. The complaint being considered here, specifically relates to Miss F's claim that she made several payments from her account with HSBC that were lost as the result of an impersonation scam. She says she was convinced the scammers were helping her to cancel a subscription and that she needed to return funds that were deposited to her account in error. This resulted in Miss F making several payments as follows:

Date	Beneficiary	Method	Amount
30 August 2021	Miss F	Faster payment	£6,700
27 January 2022	Miss F	Faster payment	£3,000
17 February 2022	Miss F	Faster payment	£3,000
		Total loss	£12,700

Miss F raised a complaint with HSBC which they rejected. In its response, it explained the payments made were sent to an external account she held with another bank, therefore it would be unable to provide her with a refund and told her she would need to contact the other bank.

When Miss F referred her complaint to our service, the investigator didn't uphold it. They explained that her testimony had been confusing and vague at times and the events she says took place weren't consistent with this type of impersonation scam – particularly with the payments being made over a period of six months. That being said, and despite the lack of evidence on Miss F's part, they thought it was quite likely she had fallen victim to one or more scams, possibly orchestrated by the same scammer. And although our investigator had taken this stance, they weren't persuaded HSBC had done anything wrong here or that it could've uncovered that Miss F was falling victim to a scam.

Miss F asked for the matter to be considered by an ombudsman.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I'm not upholding this complaint and for largely the same reasons set out by our investigator.

It isn't in dispute that Miss F authorised the transactions in question. She is therefore presumed liable for the loss in the first instance. However, HSBC is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the

possibility of fraud and made additional checks before processing payments in some circumstances.

The first disputed transaction was made via telephone banking with HSBC. As such, there was a natural opportunity for HSBC to question Miss F about the payment she was making. HSBC went through a series of checks confirming she was paying her own account with another bank. HSBC also confirmed the checks verified it was an account in her name. When HSBC questioned about the purpose of the payment, Miss F explained the payment was for home improvements and to buy furniture. I agree with the investigator that HSBC could have enquired better about the payment and why it was being made. But I'm not persuaded that would have prevented her loss. And that's mostly because I'm not satisfied given the circumstances that Miss F has explained to this service, that any further questioning would've uncovered what was actually going on.

Given Miss F was not upfront about the intended purpose of the payment she was making to her own account with another bank, there is no way HSBC could have reasonably foreseen that the money she was sending would subsequently be transferred on *again* to accounts she held with a cryptocurrency merchant and a legitimate EMI, and then *again* to a scammer. Even less so when the ongoing transfer that Miss F has said were lost to this scam, didn't then take place until two months later. As a result, I'm also not satisfied that HSBC can be said to have caused Miss F's loss by failing to prevent the payments, as the loss would not have been reasonably foreseeable – thereby breaking the chain of causation.

I also agree with the investigator that HSBC didn't need to do anything further with regards to the later disputed transactions as the payee was well established.

That said, it's also important to point out that when the second disputed transaction was made, those funds weren't transferred onwards until at least two weeks later – which were also transferred on *again* to an account Miss F held with a legitimate EMI. And with regards to the third disputed transaction, from Miss F's bank statements I've seen, those funds weren't moved onwards like the others were. In fact, the funds remained on her account and spent over the period of the next 15 months. So, I'm not satisfied the last disputed transaction was even lost to a scam.

For completeness, I'm also not persuaded HSBC could have taken any action to recover any of the money Miss F transferred to her account with another bank – especially when she didn't report this until a few years later.

I appreciate this will likely come as a disappointment to Miss F. But for the reasons I've set out above, I'm not persuaded that HSBC can fairly or reasonably be held liable for her loss.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 16 February 2026.

Mark O'Connor
Ombudsman